



27 July 2007

Ms. Dawn Philibert
Dept of Health
Division of Mental Health
P.O. Box 70
Burlington, VT 05402-0070

Re: **Certificate of Approval Application Questions ~ part 2**

Dear Dawn:

Please find below our responses to the follow up questions posed by the staff at your departments.

- **Q ~** Your financials identify \$350,487 for land acquisition, but Board minutes included in your application indicate that the mortgage to purchase the land had been paid off. Please clarify this discrepancy and, if necessary, provide revised financial statements that do not include this cost.
A ~ It is correct that the mortgage to purchase the land has been paid off, but we assumed that we needed to include this amount in the total cost of the project, since it truly is a part of the cost of the total project. We only bought the land in anticipation of building on it. Please confirm that you would like the cost of the land to be removed from the financial tables and we will revise them and send them to you.
Q ~ *The cost of the land should be included in the cost of the project, but the amount of financing should be reduced by the cost of the land since the land has already been purchased with NCSS funds. Please make this adjustment in the information you have submitted about financing.*
A ~ *We only changed Table 2 for the Cost of the Land as indicated in your question, and the changes flowed through the rest of the tables through the formulas. The revised schedule is included in table 2 with this reply.*
- **Q ~** The space is clearly identified as a child and family space, but in your application under “the new space” you identify it as a space “dedicated to children and their needs”. Yet because the space will serve elders with developmental disabilities as well as other adults, please explain how the space will be multi-generational?
A ~ You are correct, the focus will be children and families, but other program teams will be co-located. The Developmental Services (DS) teams will include: administration, Seniors team, clinical assessments and intake and the music programs ~ PAEA (Program for adaptive and expressive arts). The Seniors staff will be located in this new building, but we will continue to

do the bulk of our programming in a building that is not located on this site. Because the music program continues to serve both adults and children, their inclusion in the building will enhance the “multi-generational” feel of the setting. These DS teams were located in our building at Lake Road, where the lease will be expiring, and their inclusion was based on the need to find a new “home” and their appropriateness for inclusion in this setting. Finally, the large multi-purpose room will host any number of community events for education etc. that will draw visitors from across the various populations in the community.

Q ~ *We are still not clear about the considerations you have made in the design of your building to accommodate a range of ages from children to elders. Please address this question with more specifics.*

A ~ *The new space will serve children, elders and other adults with developmental disabilities. Services to these individuals will be integrated in several ways. First, our waiting area will be designed like a home living room space that is meant to make a comfortable atmosphere for our elders and children. A portion of this waiting area will be a designated play space for children, that will be separate from the general living room, so adults and elders also have an appropriate atmosphere.*

We will be supporting a foster grandparents program both with elders from the community and our own elders with disabilities to enrich children’s programming in the new building. Finally, our Program for Adaptive and Expressive Arts serves people of all ages and ranges of disabilities. This program will have designated space for performances plus spacious group music rooms for use by for our children’s and adult bell choir and practice space for our rock band.

- **Q ~** Under Criterion IV, your application refers to your agency’s “chosen contractor”. Because your project involves the use of public funds, the bidding process must be open and competitive. Please assure us that you have not selected a contractor and that the bidding process will be open and competitive.

A ~ We have chosen to work with Connor Contracting who will represent us in the bid process in a “Design/Build” relationship model. His job will be to direct the project and the related designs for HVAC, electrical, etc. and to solicit bids on each of those projects. He will oversee their compliance with specifications and their adherence to time and budget constraints. We expect all aspects of the project to be bid competitively.

Q ~ *This sounds like a construction management approach. If it is, we still require that the construction manager role be put out to bid because they will be paid. We need to know what selection process was used for Connor Contracting, i.e. how was it bid and how were they chosen.*

A~ *In response to the third question of your letter of July 19th, we respectfully request approval for NCSS to be able to continue to work with Connor Contracting, Inc. (CCI), our design-build general contractor. Our situation is outlined below.*

About a year ago, NCSS elected to pursue the subject project using the design-build, general contract format. This format allows the owner to have the contractor on board from project inception to completion. As a member of the project team, the contractor’s role is to work with the owner and the other development team members in resolving all construction and design issues. Beginning with the owner’s site constraints and building program, the contractor works with the owner and the design team during the conceptual planning process, the design-development phase, and the construction document phase. A key focus of the design-builder is to establish and refine project budgets as each section of work is defined, evaluating value-engineering opportunities at each stage of the design process. The agreement with (CCI) covers pre-construction Work, Construction Work, and Post

Construction Work. During October of 2006, NCSS looked at (3) firms who could possibly implement a Design-Build Contract. NCSS did not go out to bid, but looked at the following criteria 1) Could they post a 4 million construction Bond? 2) Do they have \$600,000 in working capital? 3) Do they have a history of providing quality service and significant expertise in managing projects of this size or larger? and 4) Are they a local community provider? Connor contracting was selected because they met all the criteria. I have enclosed a copy of our agreement with Connor Contracting; we have not signed the AIA Design-Build Contract – AIA 141 (see attachment). Please note that the design team includes a civil/structural engineering firm and an architect, both engaged by NCSS. These firms were selected through two, separate RFPs. The design team also includes a mechanical consultant and an electrical consultant engaged by CCI, again, after review of competitive bid proposals for this work. Thank you for your review of this request.

- ***Q ~ Has the intersection issue been resolved? If not, what is the anticipated resolution?***

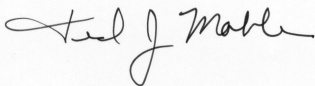
A ~ The intersection issues have been resolved. The affected parties have joined to form a partnership. The partners have contracted with Wright Excavating Inc. to manage the project; each party has made a cash contribution to the total project cost. Work is expected to be completed over the summer months. Supplies have been ordered and permits are in place.

Q ~ Do the revised cost schedules include the specific cost for this work as part of the project? If not, they should. Please adjust accordingly.

A ~ Regarding the question about the intersection costs, those costs were already included in the Project Costs listed in Table 1 as part of Related Project Costs, Item # 10, which is labeled "IT cabling & intersection upgrade" for \$290,000. Of this amount, \$250,000 is budgeted for the intersection costs.

Please contact me if additional questions arise. Thank you for your review of our project.

Regards,



Ted J. Mable, Ed.D.
Executive Director ~ NCSS